

The Modern-World System: Europe or Asia? Fernand Braudel & Andre Gunder Frank

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It is well-known that the concept of a modern world-system owes to Immanuel Wallerstein's six decades-plus of writings and other interventions; in particular those since 1974 when his Modern World-System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century appeared. After that, Wallerstein completed volumes II through IV of a projected seven-volume series on the rise and fall of the modern world-system. As this edition of Fast Capitalism comes online, Wallerstein will have died but weeks ago. Still his prodigious intellectual and literary labor remains as a tribute to the man and his work on several fronts—work that continued well into his 88th year of life. Of this, none was more important than the four volumes on the Modern World-System. These first four volumes, alongside hundreds of other writings including 27 books and countless essays and shorter writings—not to mention the 500 bi-monthly short commentaries on current affairs that began October 1998 and continued without exception until June 2019—, Wallerstein's literary *oeuvre* must be considered one of the most important in the still young history of the academic social sciences.

In more than a few of these writings, Wallerstein has argued that the modern world-system of a half-millennium from 1500 to 1989 has lapsed into a period of uncertainty that may well spell the end of the capitalist world-economy as we have known it. In as much as capitalism is, indeed, something quite different from what it originally was and—if the elite class of global capitalists succeed in high-jacking it—we may be seeing the end of capitalism itself. As the modern world-system has become multi-polar without any prospect of a hegemonic core, the world economy seems to be shifting toward East and South Asia. Even Brazil along with Russia and South Korea among the once ascendant BRIC economies seems unlikely to stand strong with China and India as truly global economies. China and India and perhaps South Korea, if it survives the growing crisis with North Korea, are likely to be whatever we will come to call the transactional center of global capitalism.

None of this is assured; hence, Wallerstein's insistence on Ilya Prigogine's dynamic theory of uncertainty. Still, the economic primacy of the major Asian economies lends credence to the idea of The New Silk Roads as Peter Frankopan's 2018 book puts it. However, the slower thought on this theme is one that not that long ago was of considerable prominence:

It was André Gunder Frank, in his 1998 book ReOrient: Global Economy in the Asia Age, who argued aggressively that the very idea of a **modern** world-system was a historic mistake. Gunder Frank meant to separate himself from the world-systems tradition of which he had been an influential contributor by virtue of his writings in the 1960s on dependency theory. ReOrient is particularly stern, and often unfair, in its attacks on Wallerstein, even as it also criticized Fernand Braudel who was not only the principal source of the history of the modern system's capitalism but also of its status as the first global economy. Gunder Frank, were he still here to argue the point, would insist that the Asian Mode of Production in the immediate pre-modern era culminating around 1400 was not just earlier than the modern capitalism world-system but in crucial ways an economic market place that allowed early North Atlantic traders to produce surplus economic value that Eastern Europe could not. Gunder Frank, thus, would have said that today's supposition that Asia is the future of a future world economy is all wrong. He might even

have said that today's world economy was always and originally Asian. Against this Wallerstein has a one-word reply: **capitalism!** The Asian mode of production, such as it was, was not even remotely capitalist.

Gunder Frank, his earlier admiration of Wallerstein's work notwithstanding, was extravagantly dismissive of the claim that the modern world is inherently capitalist. Wallerstein, by contrast, was patient if firm in his view of Gunder Frank's work. Thus, I propose that the slower thought on this lies partly in the differences between Fernand Braudel's work—done without the kind of personal relation with Gunder Frank he had with Wallerstein—suggests for the time being the distinct value of examining Braudel and Gunder Frank side-by-side.

Were I writing for one of those overly-long established academic journals such a purpose would be laughable. They are only interested in fast thinking that moves the unmovable bulk of disciplinary thought forward in time. Fast thinkers, even when they are doing what they considered historical work, tend to assume that disciplinary thought can only move forward if it is efficient in their world-weary definitions of wooden variables. I have served hard time worrying about such things. The great luxury of advancing age is that it relieves one of the bother of trying to please those who control the means of disciplinary reputation.

There is, in this instance, a special pleasure in starting up again what was once a regular column in *Fast Capitalism*. It was, of course, Ben Agger who originally invited and, I think, appreciated my *Slow Thoughts in Fast Times*. Ben was a genius of a special kind. Not only did he write prodigiously and well, but he shrugged off, in a generous way, the conventional norms of academic scholarship. I remember him with intellectual affection for what he gave us and miss him for what we lack in his absence.



Fernand Braudel (1902-1985) was born in Luméville-en-Ornois, Gondrecourt-le-Château, France of peasant stock of which he remained proud. He often, at various times, dreamt of the landscape of his native Lorraine. Still, Alexander Lee observes, “the countryside of Eastern France was “full of military recollections, his imagination was fired by battles and wars more than anything else ...” As things turned out, war was to be an important real-life experience in his early adult life.

Braudel's studies in history began at the Sorbonne in 1920, culminating some years later with the prized **agrégé**. He was still quite young, which may partly explain why his early writings were shockingly positivist, even drab. Braudel's historical mind began to change in 1923 when he began his teaching career in Algeria. There he met the Belgian medieval historian Henri Pirenne whose work was both structural and more material than the prevailing positivism in France. Then too, the alluring landscapes of North Africa on which early modern economic trading and cross-cultural conflict between Ottoman and Christian cultures reinvigorated Braudel's earlier attachment to the French countryside while inducing him toward a broader view of history than the one Pirenne had inspired. Later he would teach at the University of São Paulo. Onboard a ship returning to Paris from Brazil, he met Lucien Febvre, a cofounder with Marc Bloch of the **Annales** school of historical research. They became close friends. Braudel would become the leader of the second generation of **Annales** historians. The influences of mentors and of the local histories of Algeria and Brazil fixed Braudel's interest in the Mediterranean region and the early modern Iberian dominance of the Atlantic trade routes and colonial settlements in the Americas. In 1942, back in France, the war would again affect Braudel's life. He was arrested by the Nazi occupiers and imprisoned until the War's end in 1945. In those long years, Braudel famously drafted the notes that would become his first and greatest book, *The Mediterranean and the Mediterranean World in the Age of Philip II*, published in 1949. This massive, two-volume book was the groundwork of the historical theories that caused many in his day, as in ours, to think of him as the most important historian of the twentieth century, perhaps of the modern era.

The Mediterranean is an enduring contribution for at least the following reasons. **First**, it begins with the role of the environment even before describing the region's historical map. Here is Braudel's first deployment of his theory of **la longue durée**—of long-enduring historical time rooted in geological and climatic structures against which, in his words, is situated “The Mediterranean as a Human Unit: Communications and Cities.” Hence, *The Mediterranean*'s **second** major contribution is the displacing of event history with its disposition toward a positivistic recital of the facts of political and cultural events as the units of a linear **event history**. Instead of a history of battles and thrones, the book turns in Part Two of its first volume to demographical and economic factors. Then follows the **third** structural feature of the book—its introduction of **conjunctural history**. “There is no single conjuncture: we must visualize a series of overlapping histories developing simultaneously.” [II, 893] This is the decisive displacement of event history in favor of a strong structural idea notion of “overlapping” histories that transpire in long-enduring

geographies whereupon “the rhythms of material life and other diverse fluctuations of human existence” come into conflict with one another to create the setting wherein the events, politics, and people of a given time and space like the Mediterranean come to pass. Then and only then comes the “story” (if the word applies) of The Mediterranean World in the Age of Philip II of Spain and Portugal in the middle decades of the 1550s when Iberia became the dominant force in the Atlantic world. Braudel all but apologizes for the final major section of the book. “It is only after much hesitation that I decided to publish his third section, describing events in the Mediterranean during the fifty years of our study.” He wants to keep his distance from event history; yet, the events in the Age of Phillip II are necessary to the story—war, secularization, defeat, and decline. Braudel so wanted to avoid dramatizing major events that the reader must look hard even for a mention of the defeat of the Spanish Armada in 1588 that brought Phillip’s Age to its end. The collapse of the Iberian hegemony led to the conjuncture of the historical vectors in which North Atlantic capitalism as we know it today came fully into its own.

Among Braudel’s other works, Civilization and Capitalism: 15th-18th Century—a three-volume series completed at the end of his career—is not as well known. But it should be. Here his structural approach to history turns primary attention to as the defining global economy of the modern era. Here too, Braudel ranges comprehensively in his analysis of modernity as a world-ordering structure. The Civilization and Capitalism: 15th-18th Century series was, therefore, a systematic study of the world economy as a system comprising three structural vectors—the demographic and economic features of everyday life; the commercial elements of the cities and states of the economic-system; and role of the capitalism that arose in Europe and the history of its domination of the world economy.

The Structures of Everyday Life, the first volume in Civilization and Capitalism: 15th-18th Century trilogy, does not view everyday life as somehow unrelentingly local or as a function of face-to-face interactions. Braudel’s The Structures of Everyday Life begins with a hearty dose of demographic facts as to the shifts in world population, in which the scale of reference is towns, armies, and navies; followed by the 18th century as “a watershed of biological regimes”—which is say famines, epidemics, plagues, diseases. The first chapter in Structures ends with a section on “the many against the few” on the decline of barbarian empires and the disappearance of the pre-17th century nomads, the conquest of spaces, and the emergence of civilizations contesting each other for which he offers the telling statement: “A culture is a civilization that has not achieved maturity, its greatest potential, nor consolidated its growth [Braudel, 1979 (I), 101].” The rest of the book covers topics like daily bread, food, and drink, houses and clothing, the spread of technology, money, town and cities—all presented in relation to his history of the early modern world. The subtlety of Braudel’s scheme is stated in the Conclusion to Structures:

With **economic life**, we shall be moving outside the routine, the unconscious daily round. However, in economic life the regularities will still be with us: an ancient and progressive division of labour led to the necessary separations and encounters which nourished active and conscious everyday economic life with its small profits, its micro-capitalism (whose face was not unacceptable) distinguishable from ordinary work. Higher still, on the top floor, we have placed real capitalism, with its mighty networks, its operations which already seemed diabolical to common mortals. What had this sophisticated level to do with humble lives at the foot of the ladder, the reader might ask. **Everything perhaps for they are drawn into its operations.** [Braudel, 1979(I), 562; emphasis at the end added]

Here the readers encounter a trace of Marx’s top-down structure where the workers suffer from ignorance of the inner workings of capitalism. But in Braudel’s formulation, the humble that endure at the bottom of the ladder are well aware of the diabolical nature of capitalism and are critical theorists of their situation because they are drawn consciously into capitalism’s operations. Marx’s workers were dumb and alienated. Braudel’s were alert and engaged.

In Wheels of Commerce, the second book of Civilization and Capitalism, Braudel considers the extent to which capitalism arose out of prior economic and social conditions that made it possible to the end of making capitalism as we know it possible. In his summary of those conditions he offers: 1) a robust and expanding market economy, 2) a certain kind of society necessary to capitalism even before it came to be, 3) and “the liberating action of world trade” [Braudel 1979 (II), 606-601]. The wheels of trade are presented as a vector that could be said to cross-cut the lower and higher aspects of economic life with which he concluded The Structures of Everyday Life. In The Wheels of Commerce Braudel lends geographical weight to the analysis by pointing out the interconnection between local town markets and what he calls the higher wheels of trade—fairs, warehouses, granaries, stock markets and, crucially, the penetrating effect of global trade markets that began with the Portuguese and Spanish colonial interests in the age of Phillip II—interests that were, even then, already part of a growing system of global exchange between Europe and the world as a whole. Though Braudel does not press the **wheels** figure of speech, throughout this second volume in the trilogy nearly everything major aspect of the new commercial world **the wheels of commerce**—wheels,

plural—depict an ever rolling historical process in which local and regional capitalist markets turn more and more toward the global markets that in turn roll in a necessarily close relation to the more local markets. The dynamic factor energizing the wheels of economic history is of course **capital**.

For many, especially social theorists, the most interesting, and compelling feature of *Wheels* is chapter 5 in which Braudel defines the otherwise impossible-to-define concept of “society” as “... ‘a set of sets,’ the sum of all the things that historians encounter in the various branches of our research” [Braudel 1979 (II), 459]. This notion serves two important purposes: first, to propose a way to account for all of the many and different aspects of collective life that cannot be reduced to any aspect so readily observed as the economy; second, his idea of society serves to locate social hierarchies as the ubiquitous and seemingly necessary structural feature of the mass of collective activities and institutions that gather together around and inside the economy and the polity. Hence, his important historical observation: “Societies in our own time, whatever their political system, are hardly any more egalitarian than those in the past” [463]. The structural inequalities modern society are conditions required of the “certain kind of society necessary to capitalism.”

The *Perspective of the World*, volume three in the trilogy, is where Braudel carefully presents the key concept, **world-economies**, that became central to Immanuel Wallerstein’s version of world-systems analysis he developed in the years he and Braudel worked together in Paris after 1975-76. In 1974 Wallerstein, for his part, had finished the first volume of *The Modern World-System* which Braudel read avidly. Then began a collaboration that lasted until Braudel’s death in 1985 and, in a sense, continued well after through the Wallerstein’s Fernand Braudel Center at the University of Binghamton. Though the influences between the older and younger man were robustly mutual, Braudel admits that the general theory in *The Perspective of the World* presents in “general outline” the 1974 *World-System Theory* [Braudel 1979 (III), 69-70]. *Perspective* is far more than an outline of Wallerstein’s first volume (just as Wallerstein’s subsequent histories of the modern world-system, while grounded in Braudel’s master-work, *The Mediterranean*, covered history after the Iberian hegemony by means of his own emergent analytic scheme).

Braudel begins his third volume with a statement that, in the hands of Andre Gunder Frank, would spark an abiding controversy—namely: the distinction between a **world-economy** and **world-economies**. The former, of course, refers simply to the fact that the world at large is contrived around an economic system of one or another kind; while the latter insists that in a given conjuncture there can be several world-economies, of which modern capitalism after Phillip II is one. The book’s many descriptive chapters deal with both concepts in the sense that the first four chapters deal with aspects of Europe’s world-economy, after which the long fifth chapter considers the world’s world-economies than were “for and against Europe” before ending with the soon to be controversial statement that “the Far East [was] the greatest of all the world economies.” Then, the sixth and final chapter on the industrial revolution and economic growth could be seen as a qualification of this statement by its strong conclusion on the early capitalist industrial conjuncture in which “material and living standards” soar to previously unheard-of heights.

What remains is that China’s ancient world economy may have been “greatest” by one measure and Europe’s greatest by another. Hence, the breach André Gunder Frank entered.

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André Gunder Frank (1929-2005) was born to a Jewish family in Germany on the eve of Adolf Hitler’s rise to power. They fled, first to Switzerland, then to the United States in 1941. Frank studied at Swarthmore and the University of Chicago where in 1957 he earned his Ph.D. in economics. Even after many years of schooling in America, Gunder Frank said on his website: “I received very little education if any and learned nothing of any use in any of the many schools that I attended here and there.” At the least, the schooling, such as it was, was sufficient, as, again, he put it: “My Chicago Ph.D. in Economics, with Milton Friedman, finally did me some good in Brazil where it proved to be my union card for an appointment to teach anthropology... [at the University of Brasilia]”. After that, Gunder Frank became an academic migrant stopping along the way at universities and institutes first in Mexico, then Montreal, then Chile where he advised Salvador Allende’s administration. He fled Chile after the military coup in 1973 for Europe where he found academic homes in Starnberg, Norwich, East Anglia, before settling at the University of Amsterdam until mandatory retirement in 1994. In the remaining years until his death in 2005 Gunder Frank continued to move about the world for positions of various kinds in the US, Europe, Canada, and China.

Amid all these, perhaps the single most important stop-over was in Brazil early in the 1960s where Gunder Frank came to appreciate the importance of dependency theory, in large part because of the Fernando Henrique Cardoso-

-then a young sociologist and social democrat and future president of Brazil. At the time Cardoso was writing influentially in the early tradition of world-systems theory begun in 1949 by Raúl Prebisch. Dependency theory is the radical economic theory that turn on its head the liberal, modernization idea that the problem in the poorer regions of the world-system is that they had **failed** to modernize. Dependency theories and policies insisted, on good economic grounds, that the so-called modern and developed nations, far from being interested in developing the underdeveloped regions, are in fact the chief beneficiaries of capitalism's historical interest in creating poverty in the global economy. Capital rich, so-called mature, nations necessarily gave birth to economically immature, dependent regions from which they extracted, among much else, cheap labor power and valuable mineral resources.

Gunder Frank's influential contribution to dependency theory first appeared in a now-classic 1966 article in Monthly Review, "The Development of Underdevelopment," where he said:

It is generally held that economic development occurs in a succession of capitalist stages and that today's underdeveloped countries are still in a stage, sometimes depicted as an original stage, of history through which the now developed countries passed long ago. Yet even a modest acquaintance with history shows that underdevelopment is not original or traditional and that neither the past nor the present of the underdeveloped countries resembles in any important respect the past of the now developed countries. The now developed countries were never underdeveloped, though they may have been undeveloped.

In 1967, Gunder Frank published Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil that lent empirical and analytic texture to the 1966 article. These and other of his early writings made Gunder Frank famous as an early contributor to the world-systems analysis movement that took shape in the mid-70s and after.

In time, Gunder Frank veered away from the theories of modern capitalism associated with Braudel and Wallerstein. Late in life, he became the foremost proponent of the idea that the capitalist world-economy was neither the first world-economy nor one that arose entirely from Europe's notion of itself as the center of the modern world-system. Gunder Frank came to be a particularly aggressive opponent of Immanuel Wallerstein's work, as of Fernand Braudel's history of the modern world-economy. In the conclusion to his ReOrient: Global Economy in the Asian Age (1998), Frank said: "Contrary to the mistaken allegations of Braudel and Wallerstein among so many others, our study also leads to the inevitable conclusion that early modern history was shaped by a long since operational world economy and not just by the expansion of a European world-system [Gunder Frank, 1998: 328]." Yet, the three of them were and will be forever connected in a literary matrix that defines the historical time and space of capitalism as we supposed we knew it. Without making too much of Gunder Frank's pride that his last contrarian book belongs in the company of Braudel and Wallerstein, there is good enough reason to see him as part of a matrix—if not an equilateral triangle—portraying the historical fluctuations in the history of Western capitalism.

Today there are numerous commentaries on the theme of a new silk road turned back toward the East. East and South Asian are widely considered to be the possible, if not entirely probable, economic successor to the West's economic hegemony. In such a time, Gunder Frank's 1998 book, ReOrient: Global Economy in the Asia Age serves as a goad for current discussions of the past and future of East Asia in the global economic system. Was East Asia always there as the **first** world economic system? Alternatively, is the possible turn toward an East Asian pole, if not a core, a falling away of the European world system? Gunder Frank makes his position clear in the conclusion to ReOrient: "Contrary to the mistaken allegations of Braudel and Wallerstein among so many others, our study also leads to the inevitable conclusion that early modern history was shaped by a long since operational world economy and not just by the expansion of a European world-system" (1998, 327).

"So how did the West rise?" Gunder Frank asks (1998, 277). For which his answer is three-fold. The first and "most important answer is that Europeans obtained money from the gold and silver mines they found in the Americas." The second is that they "made more money" off the backs of indigenous people in the Americas. However, the third answer is "that Europeans also used both American silver money and their profits to buy into the wealth of Asia itself" (1998, 281). Hence, his theme is that the Western world-system "climbed up on Asian shoulders." He buttresses this part of his argument curiously with substantial references to Adam Smith's 1776 Wealth of Nations. The book as a whole refers broadly to contemporary economic historians. At all the crucial points, Gunder Frank takes his departure from Braudel often and, more often, Wallerstein and those in his world-systems analysis circle. For example, on the question of the global economy in 1500—the metonymic date that Wallerstein takes as the beginning of modern world-system—Gunder Frank asks: 1500: Continuity or Break? He thereby to begin his insistence that the modern system was continuous with the long pre-existing Asiatic modern of

product. Here, Gunder Frank's earlier association with world-systems analysis reveals itself in their common regard for the Nikolai Kondratieff's wave theory of economic cycles in the global economy to justified his continuity idea:

Indeed, even Wallerstein ... refers to the widespread agreement that an expansive long [Kondratieff] "A" phase from 1050 to 1250 was followed by a contractive "B" phase from 1250 to 1450 and then after that by still another expansive "A" phase in the "long sixteenth century" from 1450 until 1640. The evidence ..., however, suggests that this long expansive phase had already begun in much of Asia by 1400 and that it lasted there until at least 1750. Wallerstein's European "long sixteenth century" probably was a belated and more temporary expression of this world economic expansion. Indeed, the voyages of Columbus and Vasco da Gama should probably be regarded as expressions of this world economic expansion, to which Europeans wanted to attach themselves in Asia. Therefore, the continuity across 1500 was actually far more important and is theoretically far more significant than any alleged break or new departure. (Gunder Frank 1998, 329)

Earlier in *ReOrient* in the section "Is There a Long-Cycle Roller Coaster?" Gunder Frank claims William McNeill, the author of *Pursuit of Power: Technology, Armed Force, and Society since AD 1000* (1983), as the authoritative voice for his conviction that in the long sixteenth century in Europe, China remained the center of the economic world. Predictably, he concludes (1998, 268), regarding 1500 as a beginning of the modern:

... that the strongest and most dynamic parts of the world economy still remained in China and India. ...I argue therefore that these and other major Asian economies had, and continued to have, a pattern of long cyclical economic growth reaching the upper turning point of its expansive "A" phase, then passing on to a contractive "B" phase. Moreover, these Asian economies were of course all connected to each other. Therefore, it cannot be "co-incidental" and should not be surprising that they were experiencing such expansive and contractive phases nearly simultaneously, if that is what was happening. However, these Asian economies were not only related to each other, they were all part and parcel of a single global economy, which presumably had its own long cycle of development.

The foremost reason that Gunder Frank failed to win the day in his debate is that he failed to account for the key difference in the modern economic system after 1500. Capitalism, as it emerged even from the colonization of the Americas, was itself a departure from not only the Asian mode of production but from premodern economic and cultural systems. Capitalism, whatever else it has been, is a formally rational economic system that came to assume that markets obey, to some large extent, a logic of their own. This, is a classically modern view associated primarily with Max Weber and Karl Marx, among others. For Gunder Frank to bolster his continuity theory he was forced to dismiss all those with whom he disagreed (1998, 330): "Marxists, Weberians, Polanyists, world-systematizers, not to mention most "economic" and other historians, balk at pursuing the evidence and the argument to examine the sacred cow of capitalism and its allegedly peculiarly exceptional or exceptionally peculiar mode of production." His criticism of those with whom he came to disagree would be more persuasive had *ReOrient*, its brilliance being granted, been more explicitly an empirical study in comparative economic history. In fact, it is a book of economic theory that is satisfied with asserting the Asiatic Mode Production as global in both senses of the word—a global system and historically inclusive of all rival economic systems.

In the end, Gunder Frank ironically succeeds in calling attention to the distinctive—which is to say, discontinuous nature of the capitalist world-system—a system that surely has endured in spite of its own historical ruptures; and one that, well into the twenty-first century, may well be entered into a new even uncertain phase. To be fair, by calling attention as Gunder Frank has too long the enduring Asian world economy—toward which to European world economy seems to have decisively turned, perhaps even to a new quasi-core in the region—Gunder Frank has suggested a reason that the future of capitalism may be in Asia. Though the Asian mode of production was not capitalist, it might be thought of as possessing a deep structural disposition by which its late long ago regionally centered economy has been able to embrace the truly modern economic world-system that arose around 1500 in Europe.

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